#### **NOTICE OF SALE**

#### **Department of Natural Resources & Conservation Timber Sale**

The Maiden Peak Timber Sale is located within Section 36,T17N-R19E on the State's Lewistown Unit. Approximately 7,830 tons, consisting primarily of lodgepole pine, ponderosa pine and Douglas-fir sawlogs is offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on August 4, 2006 at 2:00 p.m. Bids may be hand delivered or mailed and will be accepted any time prior to the bid opening. DNRC recommends that bidders contact the Trust Land Management Division (406-542-4300) prior to the bid opening to ensure that your bid has been received. Bids must be accompanied by a deposit of \$7,868.00, representing 5% of the minimum bid of the sale in cashier's check, certified check, bank money order or bank draft to be applied to the stumpage for the successful bidder. Bid bonds will be accepted and, for the successful bidder, will be closed upon execution of the Timber Sale Contract and Timber Sale Bond.

The sale will be awarded to the highest responsible bidder. If the successful bidder is unable to execute the contract within 45 calendar days from the date the sale is awarded, the bid deposit will be retained by the Department as liquidated damages. The right is reserved to reject any or all bids.

Prospective bidders can obtain the sale prospectus, sale contract and bid forms from the Department of Natural Resources & Conservation, Trust Land Management Division, in Missoula (406-542-4300), or the Northeast Land Office, in Lewistown, MT (406-538-7789).

Visit our website at <a href="http://www.dnrc.mt.gov">http://www.dnrc.mt.gov</a> Online Services for upcoming sales and bid results

/s/ David A. Groeschl, Chief Forest Management Bureau Trust Land Mgmt Division

Publication Dates: July 5, 12, 19, 26, 2006

# TIMBER SALE PROSPECTUS MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name: Maiden Peak Timber Sale

Timber Sale Location: Fergus County, Section 36, T17N-R19E

For specific sale information, contact: Ron Buck

Phone 406-538-7789 Northeastern Land Office Lewistown Unit Office

For copies of the Timber Sale Contract and bid forms, contact:

Phone 406-542-4300 Forest Management Bureau DNRC Missoula Office

Phone 406-538-7789 Northeastern Land Office

### **General Bidding Information**

1. Bids must be submitted on standard DNRC bid forms.

- 2. Timber will be sold to the highest responsible bidder; however, the Department reserves the right to reject any or all bids.
- 3. DNRC recommends that bidders contact the Forest Management Bureau, Trust Land Management Division (406-542-4300) prior to the bid opening to ensure that your bid has been received.
- 4. A **bid guarantee** must accompany all bids and must be in the form of cash, cashiers check, certified check, bank money order, bank draft, surety bond or irrevocable letter of credit.
- 5. The Purchaser must submit a **performance bond** within 45 days of the sale award. It will amount to 20% or more of the bid value of the sale. The performance bond may be in the form of cash, irrevocable letter of credit, surety bond or certificate of deposit. The performance bond must be maintained separately from other payments for the duration of the sale contract.
- 6. The Purchaser must submit an **advance stumpage payment** prior to cutting any timber. The amount of the advance will be based on the expected harvest rate and the bid value of the stumpage. The advance may be in the form of cash, irrevocable letter of credit, payment bond or certificate of deposit.
- 7. The Purchaser will pay **Forest Improvement fees** and any special **Road Use and Maintenance fees** in addition to stumpage payments.
- 8. The successful bidder must sign an agreement that prohibits exporting State logs.
- 9. This sale is being sold based on the gross weight of all species. Minimum price and bid price is per ton. The price is for all species, green and dead. Billing will be based on gross weight. A weight ticket from a certified scale is required for every load.
- 10. The Department has estimated the net scale merchantable sawlog volume to be available for purchase under this contract. All delivered wood will be weighed and billed at per ton bid rates. The Department recognizes that a percentage of delivered wood may not meet the log manufacturing and recovery standards of the timber sale contract. The actual percentage will vary based on the log manufacturing and recovery specifications of the purchaser and the tree conditions in the sale area. The actual delivered weight may vary, resulting in an overrun or under-run of the estimated tonnage. <a href="DNRC strongly recommends that bidders evaluate these effects before bidding.">DNRC strongly recommends that bidders evaluate these effects before bidding.</a>
- 11. DNRC does not conduct detailed road appraisals. All appraised costs are gross estimates or averages, provided only to show the relative amount of work required, and not its market value. <u>Purchasers should make their own estimates</u> based on contract requirements.
- 12. Bidders should examine the Timber Sale Contract and sale area prior to bidding. Additional information is available at the phone numbers shown above. A tour of the sale area is planned for July 18, 2006. Plan to meet at the Northeast Land Office in Lewistown at 9:00 a.m.
- 13. Estimated stand data in this prospectus and volume estimates in the sale contract are not guaranteed.
- 14. This prospectus is provided for information purposes only. If the prospectus is in error or contradicts the Timber Sale Contract, the contract governs.

TABLE 1: Summary of Sale Specifications									
	Sale Data								
135 Net Sale Area (acres) 2.75 Miles of road construction									
September 1, 2008	Contract ending date	N/A	Miles of road reconstruction						
N/A	Cable logging required (% of volume)	0.3	Miles of road reclamation or abandonment						
Operating Season: Dry	or frozen ground conditions and closed Octob	er 15 – Noveml	ber 30 (hunting season)						
	Charges and Appr	aised Costs							
\$7,868.00	Bid Guarantee (total \$)								
20% of bid value	of bid value Performance Bond								
None	Collected Road Maintenance And Road Use Charges (\$ per ton)								
\$ 0.40	\$ 0.40 Collected Forest Improvement Fee (\$ per ton)								
\$ 522.00	\$ 522.00 Quarterly Installment of Forest Improvement Payments (\$ per payment, first 5 payments)								
\$ 24,980.00	\$ 24,980.00 Road Development Costs - Estimated Purchaser-Do (total \$)								
\$ 3.19	Road Development Costs – Estimated Purchaser-Do (\$ per ton)								
None	Slash Disposal Costs - Appraised Purchaser-Do (\$ per ton)								
None	None Timber Stand Improvement Costs - Appraised Purchaser-Do (\$ per ton)								

TABLE 2: Timber Cruise Data and Minimum Bids									
SPECIES	PP	DF	WL	LP	ES	WF	CE	DD	TOTAL or AVE
Minimum Acceptable Bid									\$20.10/ton
Gross Cubic Feet (in thousands)	78	15		207					300
% Cull and Breakage	10	10		10					10
Net Cubic Feet (in thousands)	70	14		186					270
Pounds per cubic foot	62	62		56					58
Net tons	1790	340		5700					7830
Gross MBF (Scribner 5" top DIB)	290	60		1000					1350
%Cull and Breakage	10	10		10					10
Net MBF	250	50		900					1200
Average logs per MBF	7	10		25					25
Average DBH	16	12		9					9
			Aver	age tons pe	er acre harv	ested in lea	ve-tree ma	rked units	58
			Av	erage tons	per acre ha	arvested in	cut-tree-ma	rked units	N/A
	Average MBF to cut per acre on the timber sale								8.90
Range of cut trees per acre based on unit cruise 191								191	
Calculated Sampling Error (net MBF): 9.5 % and (net tons): 9.5%  The total cruised volume will fall between 1086 and 1314 thousand net board feet in 9 out of 10 cruises									
Tons Per Thousand Board Feet Conversion Factor = 7830 net tons per 1200 net MBF = 6.53 tons per MBF									

Version 5-03 2

TABLE 3: Unit Harvest Volume and Harvest Schedule									
Unit	Type of Harvest	Acres Estimated Ne		Estimated Net MBF	Removal Date				
1	Clear cut	6	340	52	Summer 2007				
2	Clear cut	13	764	117	Summer 2007				
3	Clear cut	14	731	112	Summer 2007				
4	Shelterwood	7	392	60	Fall 2006-Winter 2006				
5	Shelterwood	32	1946	298	Fall 2006				
6	Shelterwood	6	359	55	Fall 2006				
7	Shelterwood	22	1290	198	Winter 2007				
8	Seed Tree	10	555	85	Fall 2006				
9	Shelterwood	12	718	110	Fall 2007 & Winter 07				
10	Shelterwood	10	575	88	Winter 2007				
Roads	ROW out of units	3	160	25	Fall 06 & Summer 07				
Totals		135	7830	1200					

# **Additional Sale Information:**

## **ROAD DEVELOPMENT ESTIMATED COSTS**

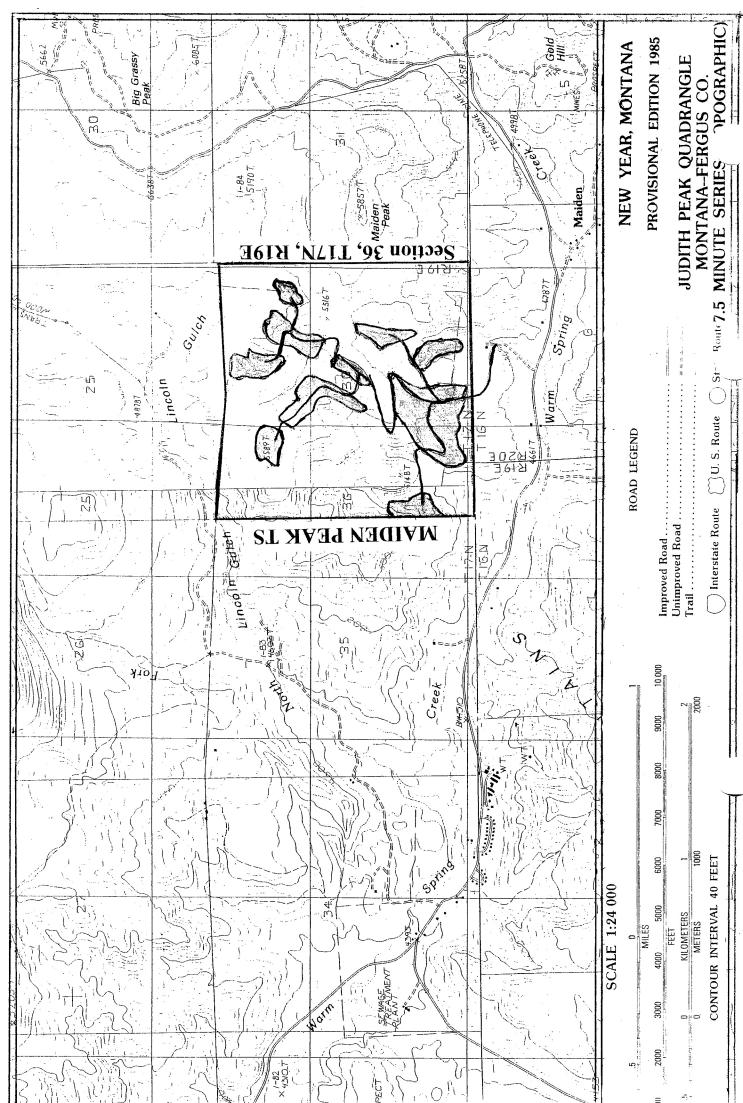
New Road Construction	2.75 miles (14,520 lineal feet) at \$ 1.52/foot (\$8029.00/mile)	\$ 22,080.00
Culvert Installations (3)	100 lineal feet of 18"- 16 Ga. at \$15.00/foot (\$9.50 culvert & \$5.50 Install)	1,500.00
Culvert Removal (3)	Culvert removal and resloping road bed for drainage (\$100.00 each)	300.00
Construct Drain Dips (2)	Construct 2 drive-through rolling dips with lead out ditches (\$125.00 each)	250.00
Gate and Fence Const.	Supply & Install 2 sets brace posts with a barbed wire gate and fence repair	250.00
Road Closure Gate	Supply & Install 2 sets brace posts & 16 ft. ("Powder River") metal gate	600.00
	(Complete Estimated Total)	\$ 24,980.00

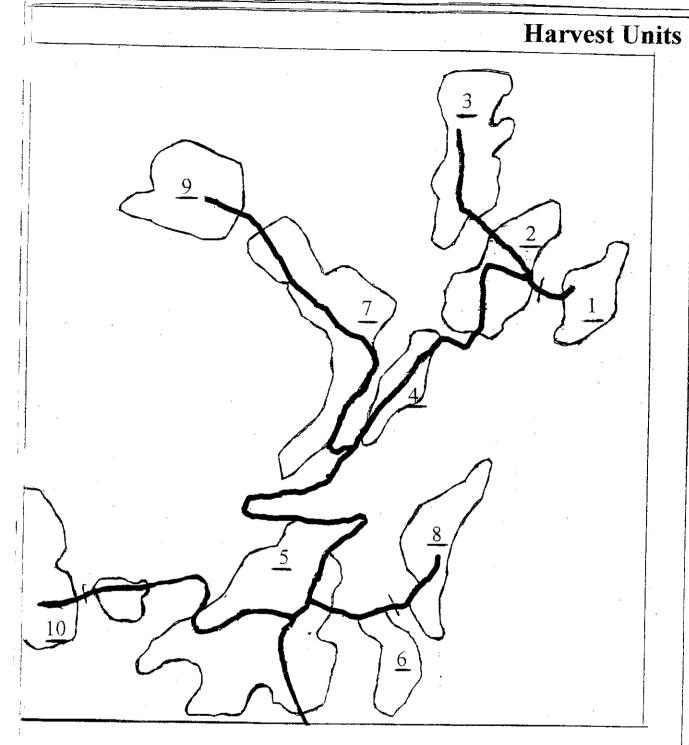
Version 5-03

TABLE 4: Total Net Tons (5" top diameter) by Diameter Class and Species (Cut trees)										
	Thousand Cubic Feet									
DBH Class	PP	DF	WL	LP	ES	WF	CE	DD	TOTAL	
≥7 and < 9				986					986	
≥9 and < 11	46	33		2612					2691	
≥11 and < 13	252	118		1306					1676	
≥13 and < 15	72	33		430					535	
≥15 and < 17	348	110		366					824	
≥17 and < 19	690								690	
≥19 and < 21	208								208	
≥21 and < 23	40								40	
≥23 and < 25	40	46							86	
≥25 and < 27	40								40	
≥27 and < 29	54								54	
TOTAL	1790	340		5700					7830	

TABLE 5: Total Number of Cut Trees by Diameter Class and Species									
DBH Class	PP	DF	WL	LP	ES	WF	CE	DD	TOTAL
≥7 and < 9				11270					11270
≥9 and < 11	174	89		9637					9899
≥11 and < 13	269	199		3024					3493
≥13 and < 15	161	69		695					925
≥15 and < 17	436	122		412					970
≥17 and < 19	498								498
≥19 and < 21	158								158
≥21 and < 23	20								20
≥23 and < 25	19	19							38
≥25 and < 27	16								16
≥27 and < 29	14								14
TOTAL	1764	498		25039					27301

Version 5-03 4





Maiden Peak TS (sec. 36, T17N, R19E)
135 Acres (harvest units)

2.75 Miles (new road construction)

12 North NAD 1927 (Conus)

0 0.200 Miles combined.ssf 7/14/2005 GPS Pathfinder®Cffice

Trimble.